



CHRIST'S COLLEGE CAMBRIDGE

Annual report of the Trustees
and Accounts prepared under the
Statement of Recommended Practice:
Accounting and Reporting by Charities (SORP 2005),
for the year ended 30 June 2008

CHRIST'S COLLEGE
ANNUAL REPORT OF THE TRUSTEES
YEAR ENDED 30 JUNE 2008

Structure, Governance and Management

The College Council presents its report and financial statements for the year ended 30 June 2008.

Governing Document

Christ's College is a self-governing corporate body, established by royal charter. It is a charity, with its registered office at St Andrew's Street, Cambridge CB2 3BU.

Appointment of Trustees

After careful consideration and legal advice, the Governing Body has concluded that, for the purposes of charity law, the members of the College Council shall be deemed to be the Trustees of the College. The Council consists of the Master, the Senior Tutor and Bursar, ex officio, and ten members elected from the membership of the Governing Body. Each elected member is elected to serve for a period of two years and may be re-elected for two further terms of two years each, after which they become ineligible for election to the Council until twelve months has elapsed since the end of their last period of service. If an elected member resigns from the Council an election to the casual vacancy is made as soon as possible, for the remainder of the term of the original appointment. The procedures for elections are laid down in the College's Statutes and Ordinances.

Appointment of the members of the Governing Body

The membership of the Governing Body comprises the Master, Fellows and five co-opted student members elected by the student body. Fellows are appointed in accordance with the College's Statutes, by the Council or Governing Body (depending on the nature of the appointment), to undertake undergraduate teaching, to carry out research, or, in certain cases, to administrative offices. Many of the teaching Fellows also hold University appointments in Cambridge. Four of the co-opted student members are elected from among the undergraduates and one from among the graduate students. The co-opted student members serve for one year. The Governing Body normally meets six times a year.

Lists of those who served during the year as members of the Council, the Governing Body and the College's principal advisers are contained in Appendix A.

Professor Frank Kelly F.R.S was elected Master in December 2006.

Induction and Training of the members of the Governing Body

On appointment each new Fellow and co-opted member is given a copy of the College's Statutes and Ordinances.

Organisational Structure

The Council is responsible for oversight of the management of the estates, income, expenditure and educational business of the College, in accordance with the directions and subject to the limitations laid down in the College Statutes. The Estates Committee and the Investments Committee meet regularly with and receive reports from professional advisers and advise the Council on estates and securities investments respectively. The Financial Control Committee advises the Council on the annual budget, monitors income and expenditure during the year, and reviews the annual report and accounts before presentation to Council and the Governing Body. The responsibilities of the principal officers of the College are laid down in the College's Statutes and Ordinances. The Master is responsible overall for the work of the College. The Bursar is its chief administrative and financial officer. The Senior Tutor is responsible for the oversight of its educational work. The Domestic Bursar is responsible for its operational buildings, residential accommodation, catering facilities and support staff. The Development Director is responsible for alumni relations and fund-raising. With effect from 1st September 2008 the College has created the new post of Admissions Director, to be responsible for the selection and admission of undergraduate and graduate students.

Christ's College Enterprises Limited, which is involved in property development, donates its profits to the College, to be used in its charitable activities. Christ's College (Buildings) Limited, which had been dormant, was dissolved in August 2007.

Transactions with members of the Council and Governing Body

A number of the members of the Council and Governing Body hold office or employment with the College and receive remuneration in respect of the services they provide. Stipends, salaries and fees for these services are determined on the advice of a Stipends and Fees Committee. The total amount paid to members of the Council and Governing Body in the year ended 30 June 2008, including pension contributions, was £0.84m (2007: £0.80m).

Risk Management

The Council has identified the major risks to which the College might be exposed. It has established policies and procedures to manage those risks.

Objectives and Activities

Objects

The objectives for which the College was established are the promotion of education, religion, learning and research.

Aims

The primary aim of the College, as an independent foundation within a collegiate university, is the provision of education leading to degrees awarded by the University of Cambridge. In this endeavour, it seeks to enable its students to achieve their full potential, through both academic success and participation in the broad range of extra-curricular activities which the College, and the University, provides. The 500-year-old site contains much that is uniquely important in the nation's architectural heritage. The College also maintains these ancient buildings and gardens, which are its main operational assets, and allows public access to the gardens at most times of the year.

Within the collegiate university, the College's role (in common with the other colleges) is to select and admit its own undergraduates, to provide advice about programmes of study, to arrange small-group teaching, to provide pastoral care and to monitor each individual student's progress. Ancillary to this role, the College provides a chapel with a full-time Chaplain, a library, residential accommodation, catering and recreational facilities, including comprehensive sporting facilities shared with another Cambridge college.

The College participates in outreach activities, in conjunction specifically with two other colleges and with the University and colleges generally, to encourage applications from able candidates from all backgrounds and schools. Graduate students are selected by faculties and departments in the University before being admitted to the College. The University provides lecture courses, library and laboratory facilities, and is responsible for examinations and the award of degrees.

The benefits afforded by collegiate life in the Cambridge system are the interactions that are fostered within a relatively small but diverse community, academically across disciplines and socially, between students and Fellows (who are often leading scholars or researchers in their field); a high proportion of students live in or close by the College, take meals in College and participate in College clubs, societies, and sporting activities; some Fellows are resident in College and many are present in College during the day in term time, to teach, to participate in College business, or because that is their base to carry out research. The drop out rate among the College's undergraduates is extremely low, compared to the national average. This is attributed to the care taken in the selection of undergraduates for admission, the provision of pastoral care, the attention paid to teaching in small groups, the steps taken to monitor each individual student's progress, and the financial support available through bursaries, in cases of hardship. The College also offers studentships for undergraduates and postgraduates and grants towards travel and research expenses for academic purposes. The possibility, within limits, for undergraduates to change their subject of study from year to year is a further beneficial factor.

Although the academic progress of students reading for higher degrees is primarily the responsibility of the faculty or department of the University in which they work, the College provides considerable support for these

students, through pastoral care, residential accommodation in College flats or houses, the opportunity to participate in social and sporting activities and to interact with the Fellows in a range of disciplines, and financial support, in cases of hardship.

Objectives for the year

The academic objectives, which remain essentially unchanged from year to year, were:

- to meet the target number for Home undergraduate admissions agreed collectively with the University and other undergraduate colleges. Christ's target number in 2007-8 was 108;
- to take all reasonable steps to ensure that no undergraduate leaves before graduating, by reason of academic failure or financial hardship;
- to be in the first quartile in league tables of University examinations (Tripos results);
- to admit the number of new graduate students for whom the College could offer residential accommodation, while achieving a balance between the different subjects;
- to appoint two Junior Research Fellows in open competition;
- to appoint Junior Research Fellows in subject areas supported by restricted funds, as vacancies occur.

For budgetary and management purposes, the key financial objective is the figure for net incoming resources on general funds. The budget for the year ended 30 June 2008 showed a deficit on general funds of £602k* after transfers but before any pensions adjustments arising from FRS17 (*£1k = £1000). During the year, one of the College's buildings was closed for major refurbishment works and 60 students were accommodated off-site in a building leased by the College for the year. The building works and accommodation of students off-site were expected to have a significant impact on catering and conference revenues, as well as increasing accommodation costs. In the event, revenues were not materially affected, though costs were higher, as expected. Designated and restricted funds normally show a surplus (excluding capital receipts included in voluntary income); in the case of designated funds, the surplus arises because of timing differences between the receipt of income and expenditure being incurred; and, in the case of restricted funds, because the income from certain funds cannot be fully utilised within the terms laid down when these funds were given to the College.

The objectives for Estates and Investments were

- to achieve income from the securities portfolio of £1,322k;
- to minimise loss of rent on the investment properties from voids or rent free periods.
- to undertake refurbishment of the College's Lasdun building, and its kitchens.

Scholarships and awards

The College provides access bursaries, awarded on the assessment of financial need, for over 30% of non-overseas undergraduates and over 100 scholarships and prizes, awarded on performance in University examinations. The College also makes provision for student activities in sport, music, drama, the visual arts and other non-academic areas.

Achievements and Performance

Academic

The College has long been recognised for the outstanding academic results achieved by its students. In June 2008 the College was placed eighth (2007: second) among the Cambridge colleges in the Tompkins league table of University examinations (Tripos) results. One undergraduate student withdrew permanently on academic grounds during the year (2007: none). Considerable effort is put into encouraging applications from potential undergraduate students from schools of all types in the United Kingdom and overseas, and assessing those who have the greatest claim to a place on the basis of academic achievement and potential.

The Governing Body elected two new research fellows in open competition during the year (2007: two) and one (2007: three) to a named Fellowship in a restricted subject area (Todd-Croucher). Research fellowships, for which there is strong competition, are intended to give young research workers who have shown outstanding promise an opportunity to continue their research as the first step towards developing an academic career. The tenure of a research fellowship is limited to four years. During the year one research fellow resigned to take up an appointment elsewhere.

Three non-stipendiary Fellows, supported respectively by the J B and Millicent Kaye Fund and the Sackler Fund, were admitted to their Fellowships during the year. It is a condition of each fellowship that the holder continues to be employed as a post-doctoral worker in the University of Cambridge.

During the year one College Teaching Officer (CTO) was appointed. CTOs are required to undertake research, in addition to their teaching commitments. Two new appointments to College Lectureships were made, of recently-appointed University Lecturers.

The full time equivalent numbers of undergraduate and graduate students in residence and registered with the University were:

	2007-8	2006-7
Undergraduates	404.19	414.67
Postgraduates	68.33	74.00

Currently, around 18% of undergraduates and 40% of graduate students come from non-EU countries.

Benefactions and Donations (Voluntary Income)

The College continued to draw financial support from its appeal, launched in 2002. The objectives of the appeal were to extend the help the College is able to give to students, through bursary schemes; to endow more teaching fellowships; to enhance sporting, musical and artistic opportunities for students; and to add to the Endowment of the College. The fund-raising target for the year was £2 million. Benefactions and donations to capital received during the year were £1,679k (2007: £1,556k). At 30 June 2008 the balance on the Appeal was £15,409k (2007: £12,801k). The difference between actual receipts and the movement on the appeal is explained by timing differences in the cash flow. The Appeal was closed at the end of this financial year.

The work of the Development Office is supported by a Development Board comprising five old members, the Master and three Fellows.

Estates and Investments

The total return in the year to 30 June 2008 on the pool of investments was -12.1% (2007: 11.9%). The estimated total return on the commercial property portfolio in the year to 30 June 2008 was -3.4%, net of expenses (2007: 16.1 %).

The income from the securities portfolio was £1,456k.

Work on the redevelopment of Bradwells Court (now renamed Christ's Lane), in which the College has a freehold interest, is now in the final stages of completion. The complete refurbishment of the College Kitchens was completed by the start of the Easter Term and by the beginning of the new academic year the refurbishment of both the student accommodation and public rooms in the Lasdun building will also be complete.

External Factors

The College operates within policies and strategies determined by the University and, as appropriate, the colleges collectively, for example in matters of admissions targets, transfer from the University of the college fee in respect of publicly-funded UK undergraduates, the provision of courses and curriculum.

Financial Review

Financial

The College continues to prepare accounts under Schedule D of the University Statute G III as at 1 October 2002. The format of these accounts has changed little since it was devised in 1926 and is difficult for today's reader to interpret. In addition, the statutory accounts do not include a balance sheet showing the overall financial position of the College. The College has not opted to prepare accounts in accordance with the new statutory format (Recommended Cambridge College Accounts, or RCCA), which was introduced for accounting years ending on or after 30 June 2004. As an alternative voluntary measure, the College has

decided to prepare accounts under the Statement of Recommended Practice: Accounting and Reporting by Charities 2005, issued by the Charity Commissioners (the Charities SORP).

The attached accounts were prepared under the Charities SORP 2005. In the year ended 30 June 2008, the College's incoming resources were £9,557k (2007: £10,072k). Outgoing resources were £16,483k (2007: £8,400k). Net outgoing resources for the year, before transfers, but including additions to capital from voluntary income, trading income and other income were £6,926k (2007: net incoming resources £1,672k). There has been a net outflow during the year due to expenditure on refurbishing the College kitchens and the Lasdun Building (one of the main buildings used to house students) being charged in the SOFA. Under the provisions of FRS15 such expenditure would be capitalized and appear as an asset on the balance sheet but the College does not recognize its operational properties on its balance sheet, in accordance with its previously-established policy. The auditors are obliged to give a qualified opinion on the accounts as the College does not meet the requirements of FRS15 in this respect but, as explained further in the notes to the accounts, the Trustees do not consider it helpful to readers of the accounts to include a value for the buildings on its main site. It can be seen from the accounts, that the College continues to rely heavily on investment income in order to undertake its charitable activities.

There was a deficit for the year on general funds before transfers between funds of £260k (2007: surplus of £466k). The deficit was due to anticipated additional costs relating to the refurbishment projects, primarily costs of renting temporary accommodation for around 60 students. Excluding voluntary income, which comprised bequests and donations to capital, the surpluses for the year on designated and restricted funds, after transfers between funds, were £28k and £306k respectively (2007: £20k and £238k).

At 30 June 2008 the College's net assets were £74,347k, a net decrease of £16,971k over the value at 30 June 2007 (£91,318k). Of this net decrease, £9,949k is due to changes in the market value of investments. The remaining decrease is primarily due to expenditure on the kitchen and Lasdun Building refurbishments.

Reserves Policy

At 30 June 2008 the balance on General Funds, net of pension fund liabilities, was £102k (2007: £305k). The balance is still at the lower end of the desirable level of reserves, assessed as being in the range of £500k to £1,000k, required to act as a buffer against likely fluctuations from year to year in net incoming or outgoing resources. This level of reserves represents around one to two months of normal recurrent expenditure. The balance on General Funds is expected to fall further in 2008-9 since investment income will be lower following the reduction in net assets due to the kitchen and Lasdun Building refurbishments. In the following financial year, the Council expects the reserves to begin to recover, although not to the level seen at 30 June 2007.

Designated funds

In principle, the designated funds are treated as though they were restricted funds; income is used to meet expenditure on the purposes for which the funds were established, which, in some cases were set by external donors. In some years and for some funds, timing differences result in income not being spent in full. Although capital of the designated funds may be spent, it is College policy not to do so, in order that the real value of the income of the funds is maintained in future years, enabling on-going support of the activities for which the funds were designated.

Investment Policy

The College's overall investment policy is to invest approximately 50% of its capital in property and 50% in securities. The direct property investments are expected to provide a steady and growing income with a higher yield, net of expenses, than could be obtained from other forms of investment. However, it is not considered appropriate to set a target for this income stream year by year, because of the uncertainty arising from rent reviews, lease renewals and the risk of voids. The investment objective for the securities portfolio was to achieve a specified income target in 2005-06 and for income then to increase year to year by the increase in the retail price index, as a minimum, while maintaining an acceptable level of risk in the portfolio.

Plans for future periods

The College will continue to pursue its educational aims within the collegiate university.

The College will commence active promotion of its the new conference facilities, which are now due to be completed in Autumn 2008.

Estates

The direct property investments will again be reviewed during the year.

Negotiations with the owners of land to the north west of Cambridge, which is zoned for redevelopment in the Cambridge City Local Plan, and with a promoter, continued during 2007-8. A number of matters remain to be resolved in connection with the planning application.

Trading Subsidiary

Further capital receipts were recorded during the year from sales of land in which the College has an interest at North Hykeham, Lincoln. The stream of capital receipts from land sales at North Hykeham is expected to continue in 2008-09, although the level of such receipts will be influenced by prevailing market conditions.

Statement of Responsibilities

As noted elsewhere in the Report of the Trustees, the College has decided, as a voluntary measure, to prepare financial statements under the Statement of Recommended Practice: Accounting and Reporting by Charities 2005. In approving these financial statements, the Trustees have satisfied themselves that:

- suitable accounting policies have been selected and applied consistently;
- judgments and estimates have been made that are reasonable and prudent;
- applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- it is appropriate to prepare the financial statements on a going concern basis.

The Trustees are responsible for ensuring that there is an effective system of internal control and that accounting records are properly kept.

The Trustees are responsible for taking reasonable steps to ensure that there are appropriate financial and management controls in place to safeguard the assets of the College and to prevent and detect fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charity's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Dr R K Hinkley
Bursar
Christ's College
Cambridge

Date: 4 October 2008

Christ's College

Independent Auditors' Report to the Trustees of Christ's College

Year Ended 30 June 2008

We have audited the financial statements which comprise the Statement of Financial Activities, Balance Sheet, Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the College's Trustees in accordance with the terms of our engagement letter dated 10 July 2006. Our audit work has been undertaken so that we might state to the Trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the College and its Trustees, for our audit work, for this report, or for the opinions we have formed.

Respective Responsibilities of the College's Trustees and Auditors

As described in the Statement of Responsibilities, Trustees are responsible for the preparation of the financial statements and have decided, as a voluntary measure, to prepare these under the Statement of Recommended Practice: Accounting and Reporting by Charities (SORP 2005) and by implication, in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice). Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the accounting policies set out therein and with the provisions of the Statutes of the College. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the College has not kept proper accounting records or if we have not received all the information and explanations we require for our audit.

We are not required to consider whether the statement in the Report of the Trustees concerning the major risks to which the College is exposed covers all existing risks and controls, or to form an opinion on the effectiveness of the College's risk management and control procedures.

We read other information contained in the Report of the Trustees and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements within it. Our responsibilities do not extend to any other information.

Basis of Audit Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the College's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of the information in the financial statements.

Christ's College
Independent Auditors' Report to the Trustees of Christ's College (continued)
Year Ended 30 June 2008

Qualified Opinion Arising from Disagreement about Accounting Treatments

As explained in Note 1 of the financial statements, no value is placed on the College's operational properties situated on its main site. This is not in accordance with the requirements of Financial Reporting Standard No. 15 (FRS 15). It is not possible to quantify the effect of this departure from the Standard.

As explained in Note 1 of the financial statements, no value is placed on fixtures, fittings and equipment. This is not in accordance with the requirements of Financial Reporting Standard No. 15 (FRS 15). It is not possible to quantify the effect of this departure from the Standard.

Except for the departures from FRS 15, in our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the College's affairs as at 30 June 2008 and of its incoming resources and application of resources for the year then ended; and
- have been properly prepared in accordance with the accounting policies set out therein and the Statutes of the College.

PETERS, ELWORTHY & MOORE
Chartered Accountants and
Registered Auditor

CAMBRIDGE
Date: 27 October 2008

Christ's College Cambridge
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 30 June 2008

	Note	2008				2007	
		Endowment	General Funds (Unrestricted)	Designated Funds	Restricted Funds	Total	Total
		£'000	£'000	£'000	£'000	£'000	
INCOMING RESOURCES							
<i>Incoming resources from generated funds:</i>							
Voluntary income		1,010	-	18	651	1,679	1,556
Activities for generating funds:							
- Trading income	22	748	-	-	-	748	625
- Conferences	3	-	89	-	-	89	108
Investment income	2	-	2,325	125	1,113	3,563	3,249
<i>Total incoming resources from generated funds</i>		1,758	2,414	143	1,764	6,079	5,538
<i>Incoming resources from charitable activities:</i>							
Fees		-	1,548	-	-	1,548	1,542
Residences and catering	4	-	1,708	-	-	1,708	1,837
<i>Total incoming resources from charitable activities</i>		-	3,256	-	-	3,256	3,379
<i>Other incoming resources</i>		171	51	-	-	222	1,155
<i>Total incoming resources</i>		1,929	5,721	143	1,764	9,557	10,072
RESOURCES EXPENDED							
<i>Costs of generating funds:</i>							
Fundraising costs		-	312	-	-	312	253
Cost of sales	22	348	-	-	-	348	264
Conferences	5	-	237	-	-	237	249
Investment management costs		6	415	-	-	421	427
<i>Total cost of generating funds</i>		354	964	-	-	1,318	1,193
<i>Charitable activities:</i>							
Education	6	-	1,337	78	470	1,885	1,555
Residences and catering	7	9,427	3,350	1	81	12,859	5,291
<i>Total cost of charitable activities</i>		9,427	4,687	79	551	14,744	6,846
<i>Governance costs</i>	8	-	322	-	2	324	265
<i>Other resources expended:</i>							
University contribution	9	-	8	6	83	97	96
<i>Total resources expended</i>		9,781	5,981	85	636	16,483	8,400
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS, carried forward	10	(7,852)	(260)	58	1,128	(6,926)	1,672

Christ's College Cambridge
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
for the year ended 30 June 2008

	Note	2008				2007	
		Endowment	General Funds (Unrestricted)	Designated Funds	Restricted Funds	Total	Total
		£'000	£'000	£'000	£'000	£'000	
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS, brought forward		(7,852)	(260)	58	1,128	(6,926)	1,672
Transfers between funds	12	30	153	(12)	(171)	-	-
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS & LOSSES		(7,822)	(107)	46	957	(6,926)	1,672
<i>Other recognised gains & losses:</i>							
Gains & losses on investment assets	13/14	(5,606)	-	(449)	(3,894)	(9,949)	7,630
Actuarial losses on defined benefit pension scheme	20	-	(96)	-	-	(96)	178
NET MOVEMENT IN FUNDS		(13,428)	(203)	(403)	(2,937)	(16,971)	9,480
TOTAL FUNDS BROUGHT FORWARD		62,463	305	2,911	25,639	91,318	81,838
TOTAL FUNDS CARRIED FORWARD		49,035	102	2,508	22,702	74,347	91,318

All results are derived from continuing operations.
The notes on pages 14 to 29 form part of these financial statements.

Christ's College Cambridge
CONSOLIDATED BALANCE SHEET
as at 30 June 2008

Note	2008					2007	
	Endowment	General Funds (Unrestricted)	Designated Funds	Restricted Funds	Total	Total	
	£'000	£'000	£'000	£'000	£'000	£'000	
FIXED ASSETS							
<i>Investments:</i>							
Property at latest market value	13	40,133	-	-	-	40,133	43,833
Securities at market value	13	10,422	-	2,508	22,171	35,101	40,418
		<u>50,555</u>	<u>-</u>	<u>2,508</u>	<u>22,171</u>	<u>75,234</u>	<u>84,251</u>
CURRENT ASSETS							
Investments	14	-	-	-	-	-	-
Stock	15	1,797	47	-	-	1,844	2,200
Debtors	16	-	688	-	-	688	1,185
Cash at bank and in hand	13	(3,317)	2,769	-	531	(17)	6,293
		<u>(1,520)</u>	<u>3,504</u>	<u>-</u>	<u>531</u>	<u>2,515</u>	<u>9,678</u>
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR							
Creditors	17	-	(2,372)	-	-	(2,372)	(1,654)
NET CURRENT ASSETS		<u>(1,520)</u>	<u>1,132</u>	<u>-</u>	<u>531</u>	<u>143</u>	<u>8,024</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY		<u>49,035</u>	<u>1,132</u>	<u>2,508</u>	<u>22,702</u>	<u>75,377</u>	<u>92,275</u>
PENSION SCHEME LIABILITY	20	-	(1,030)	-	-	(1,030)	(957)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY		<u>49,035</u>	<u>102</u>	<u>2,508</u>	<u>22,702</u>	<u>74,347</u>	<u>91,318</u>
FUNDS OF THE CHARITY							
<i>Endowment funds</i>		49,035	-	-	-	49,035	62,463
<i>Restricted income funds</i>	23	-	-	-	22,702	22,702	25,639
<i>Unrestricted income funds:</i>							
General funds		-	1,132	-	-	1,132	1,262
Designated funds	24	-	-	2,508	-	2,508	2,911
<i>Total unrestricted income funds</i>		<u>-</u>	<u>1,132</u>	<u>2,508</u>	<u>-</u>	<u>3,640</u>	<u>4,173</u>
<i>Pension reserve</i>		-	(1,030)	-	-	(1,030)	(957)
TOTAL CHARITY FUNDS		<u>49,035</u>	<u>102</u>	<u>2,508</u>	<u>22,702</u>	<u>74,347</u>	<u>91,318</u>

Dr R K Hinkley
Bursar
Christ's College
Cambridge
Date: 4 October 2008

The notes on pages 14 to 29 form part of these financial statements.

Christ's College Cambridge
CONSOLIDATED CASH FLOW STATEMENT
for the year ended 30 June 2008

	<u>2008</u>	<u>2007</u>
	£'000	£'000
NET CASH FLOW FROM OPERATING ACTIVITIES		
Net incoming/(outgoing) resources before other recognised gains & losses	(6,926)	1,672
Defined benefit scheme service cost adjustment	(23)	19
Decrease/(increase) in stocks	356	273
Decrease/(increase) in debtors	497	84
Increase/(decrease) in creditors	718	670
Net Endowment fund (income)/expenditure	7,852	(263)
Investment income	(3,563)	(3,249)
Voluntary income	(1,679)	(1,556)
Net cash flow from operating activities	<u>(2,768)</u>	<u>(2,350)</u>
RETURNS ON INVESTMENTS		
Interest and dividends received	3,563	3,249
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENTS		
Sale of fixed asset investments	3,654	(315)
Purchase of fixed asset investments		(2,800)
Sale of current asset investments	-	631
Premium on grant of leasehold interest	-	-
Net movement in cash flows attributable to endowment investments	-	2,800
FINANCING		
Net movement in cash flows attributable to endowment investments	-	(2,800)
Voluntary income	1,679	1,556
Net Endowment fund income/(expenditure)	(7,852)	263
INCREASE/(DECREASE) IN CASH IN THE PERIOD	<u><u>(1,724)</u></u>	<u><u>234</u></u>
Cash balances brought forward	8,890	8,656
Cash balances carried forward (see note 13)	<u>7,166</u>	<u>8,890</u>
Movement	<u><u>(1,724)</u></u>	<u><u>234</u></u>

Christ's College
Notes to the Financial Statements for the year ended 30 June 2008

1. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the Statement of Recommended Practice on Accounting by Charities (SORP 2005), applicable accounting standards and under the historical cost convention modified to include the revaluation of investments.

The accounts show the results for Christ's College and its subsidiary companies. The accounts of Christ's College and the consolidated accounts differ by the figures shown in Note 22 for Christ's College Enterprises Limited.

Results of affiliated clubs and societies are not consolidated as the College does not control the financial and operating policies of these undertakings with a view to gaining economic benefits from their activities. Grants made to clubs and societies are charged in the Statement of Financial Activities as expenditure for charitable purposes.

Incoming resources

Income is accounted for on an accruals basis, with the exception of dividend income, which is accounted for when received.

Legacies and donations are accounted for when received and treated as capital donations unless the donor's instructions are that the donation itself is to be spent.

Resources expended

Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with use of the resources.

Charitable exemption

The College is an exempt charity and claims exemption from income tax under Section 505 of the Income and Corporation Taxes Act 1988 and from capital gains tax under Section 256 of the Taxation of Chargeable Gains Act 1992.

Value added tax

The College is an eligible body within Group 6 of Schedule 9 of the Value Added Tax Act 1994, in respect of the provision of education. A partial exemption method is in place in respect of its activities that are ancillary to the provision of education.

Operational Properties

The College's main site comprises mainly buildings of historic and architectural value listed as Grade 1 or Grade 2. No value for these operational buildings and site is shown in the balance sheet, because the Trustees consider that the inclusion of a value would be unhelpful to the readers of the accounts, as a sale of the buildings and site would not happen as long as the College remains a going concern. Moreover, the College is not engaged in an economic activity, so that inclusion of any value would be of questionable relevance.

Hostels and houses are held primarily for their investment potential, although they are occupied by members of the College, who pay rents typical for this kind of accommodation in Cambridge. These properties are included within investments and dealt with in note 13.

Fixtures, fittings and equipment

The College's policy is not to capitalise fixtures, fittings and equipment but to charge expenditure in the SOFA as incurred.

Rare books, works of art, silver and other assets not related to education

Rare books, silver, works of art and other assets not related to education, which are deemed to be inalienable, are not included in the balance sheet.

Funds

Funds held by the College are either:

Endowment funds – these are funds that cannot be spent, under the terms of the Universities and Colleges Act 1925 & 1964. Income arising from Endowment funds is classified as general income of the College because it can be applied at the discretion of the Governing Body to any Collegiate purpose without restriction.

General funds – these are funds that can be used at the discretion of the Governing Body.

Designated funds – these are funds that have been set aside by the Governing Body for specific purposes. They are a sub-set of General funds and the purposes to which they are applied may be varied at the discretion of the Governing Body.

Restricted Funds – these are funds that can only be used for particular purposes, under a deed of trust or implied trust, to support various educational purposes of the College, including research, teaching and student bursary schemes. They include both capital and revenue balances.

Charges may be made from unrestricted funds to restricted funds, or vice versa.

Investments

Investments in commercial property are stated at market value. A full market valuation is only obtained every five years, because the costs that would be incurred in obtaining a full valuation each year are considered to outweigh the benefits to the users of the accounts. In intermediate years, market values are adjusted on the advice of the College's property advisers.

Invested funds are stated at market value.

It is College policy to keep valuations up to date, so that when investments are sold, no gain or loss arises relating to previous years. As a result, the Statement of Financial Activities does not distinguish between the gains and losses on disposals and those relating to the revaluation of continuing holdings since they are together treated as changes in the value of the investment portfolio during the year.

Stocks

Stocks are stated at the lower of cost and net realisable value.

Debtors

Debtors are shown net of bad and doubtful debts.

Foreign Currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Where appropriate, assets and liabilities have been translated at the year-end exchange rate.

Pensions

The College participates in two funded defined benefits schemes, for Fellows and staff. Pension costs are accounted for on the basis of charging the cost of providing pensions over the period during which the College benefits from the Fellows' or employees' service. In the case of the CCFPS this is the service and finance cost and for the other scheme it is on the basis of contributions due in the year. The assets of the schemes are held in separate trustee-administered funds.

2. Investment income

	General funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000	2007 £'000
Land and buildings	1,662	-	-	1,662	1,579
Property unit trusts	82	20	168	270	277
Equities	-	-	-	-	20
Fixed interest	-	-	-	-	-
Unit trusts	362	85	739	1,186	981
Deposit interest	219	20	206	445	392
	<u>2,325</u>	<u>125</u>	<u>1,113</u>	<u>3,563</u>	<u>3,249</u>

3. Income from conferences

	2008 £'000	2007 £'000
Accommodation	46	60
Catering	43	48
	<u>89</u>	<u>108</u>

4. Income from residences and catering

	2008 £'000	2007 £'000
Accommodation	1,223	1,294
Catering	485	543
	<u>1,708</u>	<u>1,837</u>

5. Expenditure – conferences

	2008 £'000	2007 £'000
Accommodation	200	209
Catering	37	40
	<u>237</u>	<u>249</u>

6. Expenditure - Education

	General funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000	2007 £'000
Teaching	502	29	133	664	581
Tutorial	261	-	11	272	247
Admissions	146	-	-	146	118
Research	199	44	112	355	255
Scholarships and awards	15	5	212	232	188
Other	214	-	2	216	166
	<u>1,337</u>	<u>78</u>	<u>470</u>	<u>1,885</u>	<u>1,555</u>

7. Expenditure – residences and catering

	2008 £'000	2007 £'000
Accommodation	11,831	4,299
Catering	946	910
Maintenance bursaries	82	82
	<u>12,859</u>	<u>5,291</u>

8. Expenditure – governance costs

	Endowment Funds £'000	General Funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000	2007 £'000
Audit and accountancy	-	30	-	-	30	32
Other	-	292	-	2	294	233
	-	<u>322</u>	-	<u>2</u>	<u>324</u>	<u>265</u>

9. University Contribution

The University contribution is calculated in accordance with the provisions of Statute G II of the University's Statutes and Ordinances. The contribution is paid into the Colleges Fund, from which grants are paid to colleges.

10. Net incoming resources before transfers

This is shown after charging:

	2008 £'000	2007 £'000
Auditors' remuneration:		
- External audit	30	32
- Other services	2	3
	<u>32</u>	<u>35</u>

11. Staff costs

	College Fellows £'000	Assistant staff £'000	2008 £'000	2007 £'000
Emoluments	731	2,029	2,760	2,573
Social security costs	56	138	194	183
Other pension costs	50	296	346	366
	<u>837</u>	<u>2,463</u>	<u>3,300</u>	<u>3,122</u>

Average staff numbers

	2008	2007
College Fellows – full time	20	19
College Fellows – part time	32	32
Assistant staff	87	95

It is not possible to show full-time equivalent staff numbers for College Fellows as their hours of work are not defined.

There were no College officers or employees (including the Head of House) whose remuneration, excluding pension contributions, exceeded £60,000.

12. Transfers between funds

	Endowment funds £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000
Transfers to sinking funds	30	(30)	-	-	-
Transfers between funds	-	-	(1)	1	-
Consolidated fund management charges	-	40	(4)	(36)	-
Room service charges	-	137	(2)	(135)	-
Internal kitchen sales	-	6	(5)	(1)	-
Total	30	153	(12)	(171)	-

Transfers to Sinking Funds

Monies borrowed from Endowment are repaid by transfers to sinking funds over a maximum term of 50 years.

Transfers between funds

An Ordinance approved last financial year permits the transfer of surplus income on trust funds established forty or more years ago to general funds. Surplus income on funds whose purposes are so restricted as to make it unlikely that it will ever be possible to apply that income to those purposes has been transferred to general funds.

Room service charges

The College recognises the costs of providing rooms and offices to College officers and staff by levying an internal charge. In the case of College officers supported from trust funds a room service charge is transferred from general funds.

13. Investment assets

	Endowment funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000	2007 £'000
Market value at 1 July	56,161	2,911	25,179	84,251	73,155
Less: property disposals at market value	-	-	-	-	-
Add: property acquisitions and additions to investments at cost	-	46	886	932	3,556
Realised gains	-	-	-	-	-
Net revaluation at 30 June	(5,606)	(449)	(3,894)	(9,949)	7,540
Market value at 30 June	50,555	2,508	22,171	75,234	84,251

Represented by:

	Endowment funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000	2007 £'000
Freehold land and buildings	37,213	-	-	37,213	40,333
Leasehold land and buildings	2,920	-	-	2,920	3,500
Property unit trusts	1,500	353	3,064	4,917	8,095
Unit trusts	7,016	1,657	14,327	23,000	29,726
Inter-fund loans	1,906	498	4,780	7,184	2,597
Total	50,555	2,508	22,171	75,234	84,251

Cash at bank and in hand:

	Endowment funds £'000	General funds £'000	Designated funds £'000	Restricted funds £'000	2008 £'000	2007 £'000
Cash at bank and in hand	(1,411)	2,769	498	5,311	7,167	8,890
Inter-fund loans	(1,906)	0	(498)	(4,780)	(7,184)	(2,597)
	(3,317)	2,769	0	531	(17)	6,293

All assets were in the UK in both years.

Properties were valued as at 30th June 2008 by qualified external valuers with the exception of freehold land at Arbury Orchard, Cambridge and Huntingdon Road, Cambridge which was valued by the College Bursar.

<i>Property:</i>	<i>Valuer:</i>
Agricultural properties	Cambridge University Estate Management & Building Service
Commercial properties	Bidwells

All external valuers are members of the Royal Institution of Chartered Surveyors.

Properties have been valued at open market value.

14. Current asset investments

	General funds £'000	2008 £'000	2007 £'000
Cost at 1 July	-	-	541
Less: disposals at market value	-	-	(631)
Add: realised gains on disposals	-	-	90
Less: unrealised loss on retranslation	-	-	-
Market value at 30 June	-	-	-

15. Stock

	2008 £'000	2007 £'000
Development land	1,797	2,146
Kitchen & Buttery	47	54
	<u>1,844</u>	<u>2,200</u>

16. Debtors

	2008 £'000	2007 £'000
Accrued income and gains	45	672
Pre-paid expenses	80	49
Rent receivable	313	268
Other debtors	250	196
	<u>688</u>	<u>1,185</u>

17. Creditors: amounts falling due within one year

	2008 £'000	2007 £'000
Accrued expenses	1,255	316
Deferred income	507	434
Social security and other creditors	610	904
	<u>2,372</u>	<u>1,654</u>

18. Commitments – post balance sheet events

Work on refurbishing the Lasdun building commenced during the year. The value of the works outstanding at 30th June 2008 was £1.8m.

During the year to 30th June 2007, alterations were made to the interior of the accommodation block adjacent to Christ's Lane. The works were funded by Land Securities, as part of an agreement for the redevelopment of the adjacent shopping arcade. At 30th June 2008, there was an outstanding amount recoverable from Land Securities. There was also an amount due to Land Securities, for installing a new electricity main to the College kitchens. The respective amounts are currently subject to negotiation between the College and Land Securities but the Trustees consider that the net amount due to the College is in the region of £111k. No provision has been made for this in the accounts.

19. Contingent Liabilities

As noted in note 20, with effect from 16 March 2007, the Universities Superannuation Scheme (USS) positioned itself as a "last man standing" scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers.

20. Pensions

The College participates in two defined benefits schemes, the Universities Superannuation Scheme (USS) and the Cambridge Colleges Federated Pensions Scheme (CCFPS). The assets of the schemes are held in separate trustee-administered funds. The total pension cost for the year was £0.35m (2007: £0.37m)

Universities Superannuation Scheme

The college participates in the Universities Superannuation Scheme (USS), a defined benefit scheme which is contracted out of the State Second Pension (S2P). The assets of the scheme are held in a separate fund administered by the trustee, Universities Superannuation Scheme Limited. The appointment of directors to the board of the trustee is determined by the company's Articles of Association. Four of the directors are appointed by Universities UK; three are appointed by the University and College Union, of whom at least one must be a USS pensioner member; one is appointed by the Higher Education Funding Councils; and a minimum of two and a maximum of four are co-opted directors appointed by the board. Under the scheme trust deed and rules, the employer contribution rate is determined by the trustee, acting on actuarial advice.

Because of the mutual nature of the scheme, the college is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by FRS 17 "Retirement Benefits", accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the SOFA represents the contributions payable to the scheme in respect of the accounting period.

The latest actuarial valuation of the scheme was at 31 March 2005. The valuation was carried out using the projected unit method. The assumptions which have the most significant effect on the result of the valuation are those relating to the rate of return on investments (i.e. the valuation rate of interest), the rates of increase in salary and pensions and the assumed rates of mortality. In relation to the past service liabilities the financial assumptions were derived from market yields prevailing at the valuation date. It was assumed that the valuation rate of interest would be 4.5% per annum, salary increases would be 3.9% per annum (plus an additional allowance for increases in salaries due to age and promotion and a further amount of £800m of liabilities to reflect recent experience) and pensions would increase by 2.9% per annum. In relation to the future service liabilities, it was assumed that the valuation rate of interest would be 6.2% per annum, including an additional investment return assumption of 1.7% per annum, salary increases would be 3.9% per annum (also plus an allowance for increases in salaries due to age and promotion) and pensions would increase by 2.9% per annum.

Standard mortality tables were used as follows:

Pre-retirement mortality	PA92 rated down 3 years
Post-retirement mortality	PA92 (c=2020) for all retired and non-retired members

Use of these mortality tables reasonably reflects the actual USS experience but also provides an element of conservatism to allow for further small improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

Males	19.8 years
Females	22.8 years

At the valuation date, the value of the assets of the scheme was £21,740 million and the value of the past service liabilities was £28,308 million indicating a deficit of £6,568 million. The assets therefore were sufficient to cover 77% of the benefits which had accrued to members after allowing for expected future increases in earnings.

The actuary also valued the scheme on a number of other bases as at the valuation date. Using the Minimum Funding Requirement prescribed assumptions introduced by the Pensions Act 1995, the scheme was 126% funded at that date; under the Pension Protection Fund regulations introduced by the Pensions Act 2004 it was 110% funded; on a buy-out basis (i.e. assuming the Scheme had discontinued on the valuation date) the assets would have been approximately 74% of the amount necessary to secure all the USS benefits with an insurance company; and using the FRS17 formula as if USS was a single employer scheme, the actuary estimated that the funding level would have been approximately 90%.

Since 31 March 2005 the funding level of the scheme has undergone considerable volatility. The actuary has estimated that the funding level had increased to 91% at 31 March 2007 but that at 31 March 2008 it had fallen back to 77%. This fluctuation in the scheme's funding level is due to a combination of the volatility of the investment returns on the scheme's assets in the period since 31 March 2005 compared to the returns allowed for in the funding assumptions and also the changing gilt yields, which are used to place a value on the scheme's liabilities. These estimated funding levels are based on the funding levels at 31 March 2005, adjusted to reflect the fund's actual investment performance and changes in gilt yields (i.e. the valuation rate of interest). On the FRS17 basis, using a AA bond discount rate of 6% based on spot yields, the actuary estimated that the funding level at 31 March 2008 was 104%. An estimate of the funding level measured on a buy-out basis was approximately 78%.

The college contribution rate required for future service benefits alone at the date of the valuation was 14.3% of pensionable salaries but the trustee company, on the advice of the actuary, decided to maintain the college contribution rate at 14% of pensionable salaries.

Surpluses or deficits which arise at future valuations may impact on the college's future contribution commitment. The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

<i>Assumption</i>	<i>Change in assumption</i>	<i>Impact on scheme liabilities</i>
Valuation rate of interest	Increase/decrease by 0.5%	Decrease/increase by £2.2 billion
Rate of pension increases	Increase/decrease by 0.5%	Increase/decrease by £1.7 billion
Rate of salary growth	Increase/decrease by 0.5%	Increase/decrease by £0.5 billion
Rate of mortality	More prudent assumption (Mortality used at last actuarial valuation, rated down by a further year)	Increase by £0.8 billion

USS is a "last man standing" scheme so that in the event of an insolvency of any of the participating employers in USS, the amount of any pension funding shortfall (which cannot otherwise be recovered) in respect of that employer will be spread across the remaining participant employers and reflected in the next actuarial valuation of the scheme.

The trustee believes that over the long-term equity investment and investment in selected alternative asset classes will provide superior returns to other investment classes. The management structure and targets set are designed to give the fund a bias towards equities through portfolios that are diversified both geographically and by sector. The trustee recognizes that it would be possible to select investments producing income flows broadly similar to the estimated liability cash flows. However, in order to meet the long-term funding objective within a level of contributions that it considers the employers would be willing to make, the trustee has agreed to take on a degree of investment risk relative to the liabilities. This taking of investment risk seeks to target a greater return than the matching assets would provide whilst maintaining a prudent approach to meeting the fund's liabilities. Before deciding to take investment risk relative to the liabilities, the trustee receives advice from its investment consultant and the scheme actuary, and considers the views of the employers. The strong positive cash flow of the scheme means that it is not necessary to realise investments to meet liabilities. The trustee believes that this, together with the ongoing flow of new entrants into the scheme and the strength of covenant of the employers enables it to take a long-term view of its investments. Short-term volatility of returns can be tolerated and need not feed through directly to the contribution rate. The actuary has confirmed that the scheme's cash flow is likely to remain positive for the next ten years or more.

The next formal triennial actuarial valuation is due as at 31 March 2008. The contribution rate will be reviewed as part of each valuation.

The total pension cost for the College was £0.08m (2007: £0.06m). The contribution rate payable by the College was 14% of pensionable salaries.

Cambridge Colleges Federated Pension Scheme

The College is also a member of a multi-employer defined benefit scheme, the Cambridge Colleges Federated Pension Scheme (CCFPS), in the United Kingdom. The Scheme is a defined benefit final salary pension scheme that was originally set up, under an interim Trust Deed, on 19 July 1977 as a defined benefit scheme. The Scheme is deemed to be a registered pension scheme under the terms of Schedule 36 of the Finance Act 2004. The College's employees covered by the Scheme are contracted-out of the State Second Pension (S2P).

The College elected to change benefits for service from 1 April 2004 for all members as at that date by:

- capping service at 40 years (previously uncapped); and
- paying unreduced pensions from age 65 (previously 60).

In addition, the College has elected to change benefits for service from 1 April 2004 for members joining on or after that date by:

- capping service at 40 years (previously uncapped);
- paying unreduced pensions from age 65 (previously 60); and
- increasing pensions in payment in line with increases in the Retail Price Index (RPI) limited to 5% pa compound (previously RPI).

The contribution made by the College in respect of the 12 month period ended 31st March 2008 was £0.27m (2007: £0.25m), excluding PHI premiums. Employer contributions over the next year are expected to be at the rate of 19.29% of contribution pay, excluding PHI premiums, although this may be subject to change as a full actuarial valuation is being undertaken as at 31 March 2008 for the Management Committee.

The major assumptions used by the actuary were:

	31 March 2008	31 March 2007	31 March 2006
Discount rate	6.6%	5.4%	4.9%
Price inflation assumption	3.4%	3.3%	3.0%
Rate of increase in salaries	4.9%	3.9%	3.75%
Rate of increase in pensions in deferment:			
- Guaranteed minimum pension (GMP)	4.9%	3.9%	3.75%
- Excess pension	3.4%	3.3%	3.0%
Rate of increase in pensions in payment:			
- GMP accrued up to 5 April 1988	0.0%	0.0%	0.0%
- GMP accrued after 5 April 1988	2.8%	2.6%	2.25%

	31 March 2008	31 March 2007	31 March 2006
- Excess pension over GMP and pension accrued after 5 April 1997			
- for members as at 31 March 2004	3.4%	3.3%	3.0%
- for new members joining on or after 1 April 2004	3.2%	3.0%	2.5%

In addition, standard actuarial mortality tables were used, namely the PA92 Base tables for males and females with the Medium Cohort projections based on year of birth. This is a change from the 2007 calculations and allows for further longevity improvements.

The assets in the Scheme and the expected rates of return were:

	Long term rate of return expected at 31 March 2008	Value at 31 March 2008 £'000	Long term rate of return expected at 31 March 2007	Value at 31 March 2007 £'000
Equities and Hedge Funds	7.5%	2,827	7.5% p.a.	2,910
Cash, Bonds & Net Current Assets	5.0%	2,208	4.9% p.a.	1,957
Property	6.5%	643	6.5% p.a.	694
Total		<u>5,678</u>		<u>5,561</u>

The 2008 asset values were based on the bid price of assets, as required by the revised accounting standards. (In previous years they were based upon the fair value of assets). The impact of this change is relatively minor as most of the investments are priced at a single rate.

The overall Scheme investment return is the expected return on each of the asset types (namely equities, property and bonds) divided by the overall assets, rounded to the nearest 0.1%.

The 2008 assets and the split between the asset classes are based upon the draft accounts provided by the Scheme administrators.

The following results were measured in accordance with the requirements of FRS17:

	2008 £	2007 £
Total value of assets	5,678	5,561
Present value of defined benefit obligation liabilities	<u>(6,708)</u>	<u>(6,518)</u>
Net pension liability	<u>(1,030)</u>	<u>(957)</u>

The main reasons for the slight worsening in the financial position of the Scheme are:

- Investment returns being less than expected; and
- Scheme experience being worse than assumed as a result of higher salaries and the use of Final Pensionable Salaries for members closer to retirement, being offset in part by 4 pensioner deaths; being almost wholly offset by:
 - changes in FRS17 assumptions, particularly the discount rate, salary increase rate and a change in the assumed retirement age for female active members in line with the main Scheme valuation for the Management Committee.

Analysis of the amount charged to 'Resources Expended' in the SOFA:

	31 March 2008 £'000	31 March 2007 £'000
Current service cost (net of employee contributions)	258	307
Expected return on pension scheme assets	(363)	(345)
Interest on pension scheme liabilities	355	311
Total charge	<u>250</u>	<u>272</u>
Actual Return on Scheme assets	<u>(57)</u>	<u>328</u>

Changes in the present value of the defined benefit obligation are as follows:

	31 March 2008 £'000	31 March 2007 £'000
Opening defined benefit obligation	6,518	6,324
Service cost	354	399
Interest cost	355	311
Actuarial losses/(gains)	(324)	(195)
Benefits and expenses paid	(195)	(321)
Total charge	<u>6,708</u>	<u>6,518</u>

Changes in the fair value of scheme assets are as follows:

	31 March 2008 £'000	31 March 2007 £'000
Opening fair value scheme assets	5,561	5,208
Expected return	363	346
Actuarial gains/(losses)	(420)	(17)
Contributions by employer	273	254
Contributions by employees (including AVCs)	95	92
Benefits & expenses paid	(195)	(321)
Closing fair value of assets	<u>5,677</u>	<u>5,561</u>

The actuarial valuation at 31 March 2008 showed a deficit of £1,030k.

Amounts for the current and previous 3 periods are as follows:

	31 March 2008 £'000	31 March 2007 £'000	31 March 2006 £'000	31 March 2005 £'000
Defined benefit obligation	(6,708)	(6,518)	(6,324)	(5,334)
Plan Assets	5,678	5,561	5,208	4,308
Surplus/(deficit)	(1,030)	(957)	(1,116)	(1,025)
Experience adjustments on Scheme liabilities	(106)	(96)	(99)	*
Experience adjustments on Scheme assets	(420)	(17)	449	*

Significant changes between the valuation date of 31 March 2008 and the balance sheet date of 30 June 2008:

Between 1 April 2008 and 30 June 2008 there have been two significant changes in the financial world which could materially affect the figures shown, namely:

- the UK and world stock markets have fallen further following falls over the year to 31 March 2008;
- Corporate AA bond yields have increased slightly whilst inflationary expectations have worsened significantly.

Investment returns on the Scheme assets themselves are down around 2.5% over the three month period, the equivalent of a fall of around £140,000 in the previously disclosed asset figures as at 31 March 2008. By the same token, the overall impact of the changes in the financial assumptions would be to reduce the net discount rate by around 0.4% per annum. Equating this back to some figures produced for the Management Committee for sensitivities of valuation results to changes in the economic assumptions, this would indicate an impact of an increase in the liabilities of around 7.5% over the three month period to the end of June, or approximately £500,000 in monetary terms. Therefore, overall the FRS 17 position is likely to have worsened to the tune of around £640,000 over the three month period.

The College elected to prepare its financial statements in accordance with the SORP for the first time in respect of the year ended 30 June 2004. For accounting periods prior to that, the accounts prepared in accordance with Statute GIII did not require compliance with accounting standards. This means that information that would be necessary in order to comply fully with the requirements of FRS 17 has not been collated.

21. Related party transactions

During the year no fees or expenses were paid to Fellows in respect of their duties as members of the Council or Governing Body. (2007: nil)

Payments to Fellows (including benefits in kind and pension contributions), made under the authority of and in accordance with the Statutes of the College, in respect of teaching, research and administrative duties amounted to £0.84m. (2007: £0.80m).

22. Subsidiary companies

<i>Name of subsidiary undertaking</i>	<i>Country of registration and operation</i>	<i>Class of share</i>	<i>Proportion held</i>	<i>Nature of business held</i>
Christ's College Enterprises Ltd	England	Ordinary	100%	Development partner
Christ's College (Buildings) Ltd	England	Ordinary	100%	Property ownership

Christ's College Enterprises Limited has been included in the consolidation. Christ's College (Buildings) Ltd did not trade during the year and was dissolved on 21st August 2007.

Summary results:

	Christ's College Enterprises Ltd £'000	Christ's College (Buildings) Ltd £'000
<i>Profit & Loss for the period to 30th June 2008:</i>		
Trading income	748	0
Cost of sales	(348)	0
Deed of covenant	(757)	0
Interest receivable	5	0
Surplus/(deficit)	(352)	0
<i>Balances as at 30th June 2008:</i>		
Assets	1,824	0
Liabilities	0	0
Reserves	1,824	0

23. Restricted Funds

	Balance at 1 July 2007	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2008
	£'000	£'000	£'000	£'000	£'000	£'000
Vincent Astor	9	-	-	-	(1)	8
Valerie Barker	3	-	-	-	-	3
J W Bennett	12	-	-	-	(2)	10
R O Bishop	548	-	23	(16)	(85)	470
E & G Bottomley	304	-	13	(13)	(47)	257
Prof Malcolm Bowie	38	90	5	-	(6)	127
Rev Canon F H Burrows	25	-	1	(1)	(4)	21
S G Campbell prize fund	17	-	1	(1)	(3)	14
Simon & Jill Campbell Foundation	317	-	13	(13)	(49)	268
Terry Cann Bursaries	142	21	6	-	(22)	147
Rev E T S Carr	9	-	-	-	(1)	8
Rev J W Cartmell	32	-	1	-	(5)	28
Estate of Sir Robert Clayton	2,380	-	99	(62)	(368)	2,049
Dennis Cole	-	31	1	-	-	32
Canon G V T Cooke	12	-	-	-	(1)	11
Cecil & Michelle Courtney	5	-	-	-	(1)	4
Lady E A P Cox	2	-	-	-	-	2
Sir Charles Darwin	8	-	-	-	(1)	7
R D Davies	24	-	1	-	(4)	21
E L De Hart	37	-	2	(2)	(6)	31
Bob Diamond prize	7	-	-	-	(1)	6
Brian Downs	68	-	3	(1)	(11)	59
Dr Fred Eade prize	7	-	-	-	(1)	6
Dr Fantham	663	-	27	(27)	(103)	560
P J Fay	2	-	-	-	-	2
Adela L Franks research	-	-	-	-	-	-
Freshfields Law Library	58	-	2	(3)	(9)	48
Grantchester Bursaries	213	-	9	(7)	(33)	182
Dr A C Haddon	3	-	-	-	(1)	2
Yusuf Hamied Bursaries	279	-	12	(8)	(43)	240
Alfred Harrison Bursaries	679	-	28	(16)	(105)	586
Col J Harrison	5	-	-	-	(1)	4
Heslop	536	-	22	(6)	(83)	469
Dr J Holland Rose prize	5	-	-	-	-	5
Rev H Latimer Jackson	7	-	-	-	(1)	6
J Edgar Jones Scholarship	-	81	2	-	-	83
Jopie Kempton fund	62	-	3	(1)	(10)	54
Kirkby Lonsdale and City of Salford Bursary	178	6	8	(7)	(28)	157
Sir Hans Kornberg	54	-	2	(1)	(8)	47
Sir Hans Kornberg bursaries	20	-	1	-	(3)	18
Monica Kornberg Memorial Fund	115	-	5	(1)	(18)	101
WB Lauder prize	7	-	-	-	(1)	6
Law fund	543	14	23	(23)	(84)	473
Reuben Levy	110	-	4	(2)	(17)	95
Levy-Plumb fund	2,268	-	95	(84)	(351)	1,928
Levy-Plumb Milton 2008 fund	14	-	-	(12)	-	2
Louisa Lewisohn Memorial Bursaries	73	-	3	(3)	(11)	62
Prof A Liversidge lectureship	62	-	3	(3)	(9)	53

	Balance at 1 July 2007	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2008
	£'000	£'000	£'000	£'000	£'000	£'000
Prof A Liversidge scholarship	81	-	3	(3)	(12)	69
Dr AH Lloyd (History)	1,493	-	62	(62)	(231)	1,262
Lucas Williamson - 25% Lucas	69	-	4	(3)	(11)	59
M Lynch engineering prize	58	-	3	(2)	(9)	50
Sir Ian McFarlane	119	-	5	(5)	(18)	101
Richard L McIntire fund	16	-	1	(1)	(2)	14
Anne McLaren	-	66	1	-	-	67
R E Odell	282	-	12	(12)	(44)	238
E H Parker	4	-	-	-	(1)	3
Sir John Plumb fellowship	138	3	6	(1)	(21)	125
Sir John Plumb prize	5	-	-	-	-	5
Lucan Pratt	15	-	1	-	(3)	13
Pratt-Hamied fund	114	-	5	(4)	(18)	97
Professor A R Prest	3	-	-	-	(1)	2
S Gorley Putt	22	-	1	-	(3)	20
Rapaport	12	1	-	-	(2)	11
Mrs N H Jeanty Raven	373	-	16	(2)	(58)	329
Tony Richardson	31	-	2	-	(5)	28
W Robertson Smith	35	-	1	(1)	(6)	29
George Kingsley Roth	1,621	-	67	(49)	(251)	1,388
Ilse & Willi Rothschild Bursary	-	208	1	-	-	209
WHD and AE Rouse	1,606	1	67	(68)	(248)	1,358
Sir Satyendra Roy	222	-	9	(4)	(34)	193
Rev R N Russell	26	-	1	-	(4)	23
Sackler Foundation	145	-	6	(2)	(22)	127
Scholl fund	372	-	16	(15)	(58)	315
J Scriven (to Law Fund)	-	-	-	-	-	-
Sir Arthur Shipley (Conrad)	3	-	-	-	-	3
Dr Kaetrin Simpson	13	-	1	(1)	(2)	11
Rev W W Skeat	9	-	-	-	(1)	8
Charles Snow lectureship	20	-	1	(1)	(4)	16
Norman Sosnow travel	99	5	4	(3)	(15)	90
Norman Sosnow visiting	216	-	9	(7)	(33)	185
Rosabel Spencer-Thomas	3	-	-	-	(1)	2
Ivor Spencer-Thomas	3	-	-	-	-	3
Sporting Awards Scheme	20	-	1	(1)	(3)	17
E J Stacey	10	-	-	-	(1)	9
Dr T Staines Read	2	-	-	-	-	2
Student Support	839	42	36	(28)	(130)	759
Student Support - Island of Ireland	21	-	1	-	(3)	19
Sykes-Hamied bursaries	56	-	2	-	(9)	49
Sykes organ scholarship	14	-	-	-	(2)	12
Dr Szeming Sze prize	10	-	-	-	(1)	9
Sze Brothers Memorial Fund	449	-	19	(16)	(70)	382
Thomas Bursary	30	-	1	-	(5)	26
Jack Thornton memorial fund	19	-	1	-	(4)	16
Jack and Margaret Thornton	30	-	1	(1)	(4)	26
Todd prize	7	-	-	-	(1)	6
Todd-Croucher fund	951	-	39	(6)	(147)	837
Todd-Hamied fund	190	-	8	(2)	(30)	166
Todd memorial fund	112	-	5	(5)	(17)	95
Dr Whelan	50	-	2	(2)	(7)	43
Dr Rhodri Wilson	19	-	1	(1)	(3)	16
Simon Wilson prize	15	8	1	(1)	(2)	21

	Balance at 1 July 2007	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2008
	£'000	£'000	£'000	£'000	£'000	£'000
Dr Wolf benefaction	489	-	20	(20)	(76)	413
T C Wyatt	9	-	-	-	(1)	8
Anonymous benefaction (1)	4	-	-	-	-	4
Anonymous benefaction (2)	16	-	1	(1)	(3)	13
Dr J Holland Rose studentship	236	-	10	(4)	(36)	206
Education fund	24	-	1	(1)	(4)	20
Lady Wallis Budge	1,089	-	45	(29)	(168)	937
Reuben Levy - 50% education fund	79	-	3	(3)	(12)	67
C S Calverley	8	-	-	-	(1)	7
Edith Elmslie	26	-	1	(1)	(4)	22
Dr Annie Fitzpatrick	48	-	2	(2)	(7)	41
Bishop Gell	17	-	1	(1)	(3)	14
Bishop Porteus	5	-	-	-	(1)	4
Rajah of Cochin (Menon)	10	-	-	-	(2)	8
Rev D Ridout	21	-	1	(1)	(3)	18
J A Robinson	8	-	-	-	(1)	7
Syed Mahmood	12	-	-	-	(2)	10
J Thompson	7	-	-	-	(1)	6
W Wren	9	-	-	-	(1)	8
Scholarships & exhibitions	516	-	21	24	(80)	481
R Broadbanke	22	-	1	(1)	(3)	19
Dr R Bunting	46	-	2	(2)	(7)	39
Archdeacon C Clarke	24	-	1	(1)	(4)	20
Canon G T Harvey	179	-	7	(7)	(28)	151
Rev & Mrs Light Wyatt	19	-	1	(1)	(3)	16
R Rysley	4	-	-	-	(1)	3
Dr F H V Schofield	652	-	27	(27)	(101)	551
Adelaide Stoll	168	-	7	(7)	(26)	142
Rev E A Syngé	397	-	16	(16)	(62)	335
C Tancred	-	-	-	-	-	-
Upton Farm (Rysley - 7/13)	71	-	3	(3)	(11)	60
Bishop S Ward	22	-	1	(1)	(4)	18
Dr T Widdrington	20	-	1	(1)	(3)	17
Rev T Wilson	61	-	3	(3)	(9)	52
J G Drummond	15	-	1	(1)	(3)	12
E W Hobson	16	-	1	(1)	(2)	14
Sir John Bonser scholarship	69	-	3	(3)	(11)	58
Caution Fund	34	-	1	(1)	(5)	29
Lectureships and preacherships	43	-	2	(2)	(7)	36
GRD McLean	11	-	-	-	(2)	9
Small exhibitions	58	-	2	(2)	(9)	49
Sizar's Fund	287	-	12	4	(44)	259
Lucas Williamson - 75% Lucas	183	-	8	(1)	(29)	161
Lucas Williamson - Williamson	64	-	3	-	(10)	57
Upton Farm (Rysley - 2/13 Bridgham)	21	-	1	(1)	(3)	18
Upton Farm (Rysley - 4/13 Stretham)	42	-	2	(2)	(6)	36
1946 Bursary	11	2	1	(1)	-	13
1953 Fellowship	55	2	3	-	-	60
1954 Bursary	14	-	1	(1)	-	14
1973 Bursary	6	13	1	-	-	20
Buildings & facilities	7	-	-	-	-	7
Instrumental awards	8	-	-	-	-	8

	Balance at 1 July 2007	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2008
	£'000	£'000	£'000	£'000	£'000	£'000
Library/heritage	16	-	1	(1)	-	16
Music	103	2	5	(1)	-	109
Sporting bursaries	44	1	2	(2)	-	45
Zatman bursaries	3	-	-	-	-	3
Appeals	5	-	-	-	-	5
RGJ Ballard	20	3	1	-	-	24
Joan & William Batchelor	-	4	-	(1)	-	3
Malcolm Bowie Pool	-	39	-	-	-	39
Terry Cann Bursaries	46	-	2	(2)	-	46
College Plate	2	-	-	-	-	2
Conservation of Archives	-	-	-	-	-	-
Friends of the Old Library	15	2	1	(5)	-	13
Non-trust scholarships	2	2	-	-	-	4
Outreach	5	-	1	-	-	6
Plumb Auditorium furniture	11	-	1	-	-	12
Scholl Medical Science Fellowship	39	-	2	(13)	-	28
Todd Salters fund	10	3	1	(3)	-	11
Vincent Lam prize	-	-	-	-	-	-
Visual Arts/sculptures	22	1	1	-	-	24
TOTAL	25,639	651	1,077	(771)	(3,894)	22,702

24. Designated Funds

	Balance at 1 July 2007	Donations	Other Incoming Resources	Outgoing Resources and transfers	Investment Gains/ (Losses)	Balance at 30 June 2008
	£'000	£'000	£'000	£'000	£'000	£'000
J B & Millicent Kaye	804	-	33	(6)	(124)	707
Stanley W Greig	65	-	3	(3)	(10)	55
James Meade Fund	87	-	4	(4)	(14)	73
G R N Minchin	102	-	4	(4)	(15)	87
Quinn Bursaries	27	4	1	(1)	(4)	27
Research Fund	1,215	-	50	(50)	(188)	1,027
Teaching	611	14	26	(25)	(94)	532
	<u>2,911</u>	<u>18</u>	<u>121</u>	<u>(93)</u>	<u>(449)</u>	<u>2,508</u>

Appendix A

Members of the Governing Body for the period 1 July 2007 – 30 June 2008

Professor Francis Patrick Kelly, Master	Professor William John Fitzgerald	Dr Catherine Rosemary Rider to 31.08.07
Mr David Eryl Corbet Yale	Professor Margaret Anne Stanley	Dr Fanni Veronica Gergely
Professor Lucjan Ryszard Lewitter to 19.09.07	Dr Andrew William Ernest Bainham	Dr Luke Cameron Skinner
Professor Paul O'Higgins to 13.03.08	Dr David Klenerman	Mr Michael James Edwards
Dr John Christopher Abbott Rathmell	Dr Alan Thomas Winter	Dr Brenda Joy Bradley
Dr Cecil Patrick Courtney	Dr Robert Edward Hunt	Dr Konstantin Feldman
Professor Quentin Robert Duthie Skinner	Dr Gavin Robert Alexander	Mr Fredrik Hagen
Professor Peter Vincent Landshoff	Professor Peter Anthony McNaughton	Dr Matthew Francis Higgins
Dr Richard Patrick Axton	Professor James Cuthbert Smith	Dr Sarah Frances Howard
Professor Archibald MacRobert Campbell	Dr Marcela Pablo Fiore	Dr Caroline Vout
Professor Martin Hugh Johnson	Mr Geoffrey Stephen Payne	Dr Grace Wang Yu
Professor John Stuart Wilson	Dr Susan Jones	Ms Sophie Camilla Natalie Read
Dr David Rayner Hunkin Jones	Dr David Bruce Percival Arthur Norman	Dr Michael James Squire
Dr Geoffrey Keith Ingham	Dr Kenneth Boh Khin Teo to 31.12.07	Mr Tom Sanders
Professor Andrew David Cliff	Dr Jonathan Harvey Gillard	Mr Ian Scott Williams
Dr Douglas Robertson Ferguson	Dr Michael Peter Halstead to 14.03.08	Dr Margaret Gallacher McCammon to 30.09.07
Professor Sir Peter Julius Lachmann	Dr John Michael Edwardson	Dr Mark Robert Darlow
Dr Arthur William Aeneas Peterson	Dr Giles Benjamin Pearson to 31.08.07	Dr Steven Michael Pollard
Professor David Neil Sedley	Dr Duncan Stuart Alan Bell to 31.12.07	Dr Julia Shvets
Dr Kelvin Malcolm Bowkett	Dr Konstantin Ardakov to 31.08.07	Dr Joanna Claire Cook
Professor David James Reynolds	Dr Margaret Rigaud-Drayton	Mr Daniel Peter Matlin from 29.09.07
Dr William Gareth Rees	Professor Simon Tavaré	Mr David Ronald Marshall Irving from 29.09.07
Professor Ian Malcolm Leslie	Miss Elizabeth Norris	Mr Peter Andras Agocs from 29.09.07
Professor Christopher Abell	Dr Alexandra Shepard to 31.08.07	Dr Elena Punskeya from 01.01.08
Dr Susan Bayly	Dr Daniel Wakelin	Dr Mauro Overend from 01.01.08
Dr Nicholas John Anderson Gay	Dr Arash Mostofi to 30.09.07	Dr Raymond Keith Hinkley from 15.03.08
Dr John Richard Batley	Mr Jonathan Edward Morgan	
<u>Co-opted (Student) Members</u>		
Miss Elie Yoo to 12.11.07	Mr Thomas John Hayes to 31.03.08	Miss Jane Catalina Donaldson from 04.03.08
Mr Nihal Shah to 12.11.07	Miss Anna Horvai from 27.11.07	
Mr Joseph Luke Barnett to 12.11.07	Mr Andrew Iain Maddox from 27.11.07	Mr Michael Philip Housden from 06.05.08
Mr Duncan Richard Bull to 12.11.07	Mr Kyle McLoughlin from 27.11.07	

Members of Council

(ex officio) Professor F P Kelly, Master, Dr K M Bowkett, Senior Tutor, Dr M P Halstead, Bursar to 14.03.08 and Dr R K Hinkley, Bursar from 15.03.08.

(elected) Dr A W A Peterson, Dr W G Rees, Professor C Abell, Professor W J Fitzgerald, Dr A W E Bainham (to 26.11.07), Dr R E Hunt (to 28.09.07), Dr S Jones (to 28.09.07), Dr D B P A Norman, Dr D Wakelin, Dr C R Rider (to 31.08.07), Dr N J A Gay (from 29.09.07), Mr J E Morgan (from 29.09.07), Dr C Vout (from 29.09.07), Dr J Shvets (from 27.11.07)

Bursar

Dr R K Hinkley

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Solicitors Kester Cunningham John
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